

Financial performance of steel units

1637. SHRI SURESH PACHOURI: Will the Minister of STEEL be pleased to state:

- (a) whether Government are satisfied with the financial performance of steel sector in the country;
- (b) if so, the financial position of the public sector steel units;
- (c) how these compare with those operating in the private sector; and
- (d) the measures taken by Government to improve the financial position of steel units?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) to (c) The performance of public sector steel plants i.e. Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited, (RINL) has been satisfactory. Government does not monitor the performance of private sector steel plants. SAIL has reduced its losses from Rs. 1720 crore in 1999-2000 to Rs. 720 crore (Provisional) in 2000-01, representing a reduction in losses of about 58%. The financial performance of RINL during the year 2000-01 has been encouraging, as the company has made cash profit of Rs. 160 crore compared with loss of Rs. 130 crore during 1999-2000.

(d) Government has approved in February, 2000, financial and business restructuring package for SAIL to improve its financial position.

Production of indigenous steel

†1638. SHRI GOPALSINH G. SOLANKI: Will the Minister of STEEL be pleased to state:

- (a) the extent of success achieved in the production of indigenous steel upto now;
- (b) the extent to which the indigenous steel is capable of meeting the demand of steel in the country;
- (c) whether Government have formulated any scheme for providing incentives to the domestic steel producers so that they can meet the target; and
- (d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI BRAJ KISHORE TRIPATHY): (a) the Indian iron and steel industry was the first

†Original notice of the question was received in Hindi.

core sector to be fully deregulated in 1991-92. Post liberalization, the Indian iron and steel industry achieved very high growth rate. The production of finished steel increased from 15.2 million tonnes in 1992-93 to 29.7 (prov.) million tonnes in 2000-01. The apparent steel consumption has increased from 18.66 million tonnes in 1994-95 to 26.6 million tonnes in 2000-01. Export of iron and steel has increased from 0.9 million tonnes in 1992-93 to over 3 million tonnes in 2000-01. Today, India is the ninth largest steel producer in the world and a net exporter of steel. Indian steel industry is capable of producing almost all grades, sizes and excellent quality of steel products. Earlier, exports consisted mainly of plates, bars and rods and structurals, whereas, now semis, hot rolled coils, cold rolled coils, pig iron and sponge iron are also being exported. Indian steel is exported to many countries of the world including China, Japan, USA, Korea, Taiwan, Indonesia, Thailand, Malaysia, Italy, U.K. Germany, Canada, Spain, Australia, etc. However, the most notable achievement of the Indian steel industry is its integration with the global economy.

(b) The indigenous steel industry is fully capable of meeting the entire demand of steel in the country.

(c) and (d) The Government of India has not formulated any specific scheme for providing incentives to the domestic steel producers. However, several steps have been taken to boost the production and demand for steel in the country. These *inter-alia* include, upgradation of technology, modernization of public sector steel plants for improvement in quality and productivity, encouragement to research and development, facilitating adoption of cost effective and state-of-the-art technologies, higher allocation for infrastructure development to boost the demand for steel etc.

Low cost revival plan for IISCO

1639. SHRI DIPANKAR MUKHERJEE: Will the Minister of STEEL be pleased to state:

(a) whether in the hearing held on 5th May, 2000 regarding IISCO, BIFR observed that revival process has been unduly delayed by promoter namely Government of India;

(b) whether in an order dated 26th April, 2000 BIFR granted the company time till 31st July, 2001 to submit fully tied up proposal to operating agency;

(c) whether the company has submitted any low cost revival plan to SAIL/ Government;